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CINDY MURRAY

RESOLUTION 2022-17

A RESOLUTION ADOPTING ADDENDUM #1 COMMUNITY INVESTMENT PLAN DETAILING THE USE OF AMERICAN RESCUE PLAN ACT FUNDING

WHEREAS, on March 11, 2021, the American Rescue Plan Act of 2021 ("ARP") was enacted; and

WHEREAS, the ARP provides \$350 billion in emergency funding to state and local governments (Coronavirus State and Local Recovery Fiscal Funds) and the City of Lafayette will be a recipient of an estimated Sixteen Million Seven Hundred Thousand Dollars (\$16,700,000) of said funding ("ARP Funds") which will be distributed in two tranches of fifty percent, one each in 2021 and 2022; and

WHEREAS, the City received its first tranche of funding in the amount of Seven Million Nine Hundred Forty Thousand Five Hundred Twenty-nine and 50/100 Dollars (\$7,940,529.50) in June 2021; and

WHEREAS, the ARP funds must be obligated by December 31, 2024 and expended by December 31, 2026; and

WHEREAS, the U.S. Department of Treasury issued an Interim Final Rule providing guidance on allowable expenditures of ARP Funds and issued its Final Rule in January 2022 which final rule delivers broader flexibility and simplicity in the ARP program; and

WHEREAS, the Indiana State Board of Accounts provided additional guidance to Indiana governmental units on accounting for use of ARP funds in a Memorandum dated March 18, 2021 which mandates that a recipient establish a separate fund by ordinance for its ARP funds; and

WHEREAS, on June 7, 2021, the City adopted Ordinance 2021-28 which established the American Rescue Plan Grant Fund (Fund #1760), listed the purpose of the fund and its permitted uses and provided the City shall adopt a plan providing the details for the proposed use of ARP Funds; and

WHEREAS, on February 7, 2022, through the passage of Resolution 2022-02, the City adopted its American Rescue Plan Act, City of Lafayette, Indiana, Community Investment Plan outlining the intended uses for the first tranche of ARP funds; and

WHEREAS, the City will has or will soon receive its second tranche of funding in the amount of Seven Million Nine Hundred Forty Thousand Five Hundred Twenty-nine and 50/100 Dollars (\$7,940,529.50); and

WHEREAS, it is appropriate to issue an addendum of the City's Community Investment Plan to provide details for the use of the second tranche of ARP Funds.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF LAFAYETTE, INDIANA, AS FOLLOWS:

1. The Common Council adopts the attached document dated July 5, 2022 and entitled American Rescue Plan Act, City of Lafayette, Indiana, Community Investment Plan, Addendum #1 ("Plan") to provide details for the use of ARP Funds. The Plan shall remain in effect until amended or supplemented in accordance with appropriation ordinances adopted by the Council.
2. This Resolution shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

Adopted and passed by the Common Council on the _____ day of _____, 2022.

Perry E. Brown, President

ATTEST:

Cindy Murray, City Clerk

Presented by me to the Mayor of the City of Lafayette, Indiana, for his approval and signature this _____ day of _____, 2022.

Cindy Murray, City Clerk

This Ordinance approved and signed by me on this _____ day of _____, 2022.

Tony Roswarski, Mayor

ATTEST:

Cindy Murray, City Clerk

Sponsored by: Mayor Tony Roswarski

**AMERICAN RESCUE PLAN ACT
CITY OF LAFAYETTE, INDIANA
COMMUNITY INVESTMENT PLAN**

ADDENDUM #1

DATED: July 5, 2022

INTRODUCTION

On March 11, 2021, the American Rescue Plan Act of 2021 (“ARP”) was enacted. The ARP establishes the Coronavirus State and Local Fiscal Recovery Fund (“ARP Fund”) to provide resources to local government units to assist with the recovery efforts related to the COVID-19 public health emergency. The City of Lafayette “City” will receive approximately Sixteen Million Seven Hundred Thousand Dollars (\$16,700,000) in total of said funding which will be distributed in two tranches of fifty percent, one each in 2021 and 2022. The City received its first tranche of funding in the amount of Seven Million Nine Hundred Forty Thousand Five Hundred Twenty-nine and 50/100 Dollars (\$7,940,529.50) in June 2021. The City will receive its second tranche of funding in the amount of Seven Million Nine Hundred Forty Thousand Five Hundred Twenty-nine and 50/100 Dollars (\$7,940,529.50) in June 2022.

On February 7, 2022, the City adopted its Community Investment Plan through the passage of Resolution 2022-02. The plan identified three major projects to be funded with ARP Funds: Wea Ridge Storage Tank, Glick Well Field Improvements and Water and Renew Supervisory Control and Data Acquisition (SCADA) System Improvements.

The Final Rule issued by the U.S. Department of the Treasury provides clarification and other flexibilities in various areas including the calculation of revenue loss. In order to simplify the administrative burden, communities can take a standard revenue loss allowance of up to Ten Million Dollars (\$10,000,000). The City’s ARP Funds can then be used to cover the provision of governmental services, which include, but are not limited to, “maintenance and pay-go funded building of infrastructure, including roads, modernization of cybersecurity, including, hardware, software, and protection of critical infrastructure; health services; environmental remediation; school or education services; and the provision of police, fire and other public safety services.” *Department of Treasury Coronavirus State and Local Fiscal Recovery Fund*, pages 259-260.

Revenue Loss Replacement-Standard Allowance

The Community Investment Plan is amended to include the provision of governmental services in a dollar amount not to exceed Ten Million Dollars (\$10,000,000) in accordance with and subject to appropriation ordinances adopted by the Council and in compliance with the U.S. Department of the Treasury Final Rule.